Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014

Message Text

PAGE 01 STATE 163769
ORIGIN H-02

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INFORM CONSULS

E.O. 11652: N/A

TAGS:

SUBJECT: WEEKLY LEGISLATIVE REPORT, JUNE 19-23

1. SUMMARY. THE ADMINISTRATION IS MAKING A MAJOR EFFORT TO ADDRESS PUBLIC AND CONGRESSIONAL CONCERNS ABOUT U.S. FOREIGN POLICY. AS PART OF THIS EFFORT LAST WEEK, SECRETARY VANCE:

-- TESTIFIED IN A FOUR-HOUR PUBLIC AND EXECUTIVE SESSION BEFORE THE HOUSE INTERNATIONAL RELATIONS COMMITTEE (HIRC), JUNE 19;

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PAGE 02 STATE 163769

-- SPOKE AT A FOREIGN AFFAIRS SEMINAR AT THE WHITE HOUSE WITH THE PRESIDENT, NATIONAL SECURITY ADVISER BRZEZINSKI, AND SECRETARY BROWN TO 70 SENATORS AND MEMBERS JUNE 20;

-- DELIVERED A MAJOR SPEECH ON AFRICA POLICY BEFORE THE JAYCEES IN ATLANTIC CITY, JUNE 20; AND,

-- HOSTED A CONGRESSIONAL BREAKFAST AIMED AT LIFTING THE TURKISH EMBARGO, JUNE 22.

Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014

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JUNE 28 THE SECRETARY WILL TESTIFY BEFORE THE SENATE ARMED SERVICES COMMITTEE ON THE TURKISH EMBARGO.

THE DEPUTY SECRETARY WILL ATTEND A WHITE HOUSE CONGRESSIONAL BREAKFAST ON THE TURKISH EMBARGO JUNE 27.

MAJOR LEGISLATIVE ACTION SCHEDULED FOR JUNE 26-30:

-- THE FOREIGN RELATIONS AUTHORIZATION BILL STATE DEPARTMENT AUTHORIZATION SHOULD REACH THE SENATE FLOOR JUNE 28;

-- THE US-UK TAX TREATY WILL AGAIN BE TAKEN UP IN THE SENATE JUNE 27;

-- HEARINGS BEFORE THE TRADE SUBCOMMITTEE OF HOUSE WAYS AND MEANS ON SUGAR AND IMPLEMENTING LEGISLATION FOR THE INTERNATIONAL SUGAR AGREEMENT JUNE 28;

-- AND BOTH THE FOREIGN ASSISTANCE APPROPRIATIONS BILL AND THE HOUSE VOTE ON LIFTING THE TURKISH EMBARGO HAVE BEEN POSTPONED UNTIL AFTER THE JULY 4 RECESS. END SUMMARY

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2. ISRAELI RESPONSE TO U.S. QUESTIONS ON PEACE. THE CONGRESSIONAL REACTION TO THE ISRAELI ANSWERS TO THE QUESTIONS POSED BY THE UNITED STATES ON THE PEACE PROCESS WAS ONE OF GENERAL DISAPPOINTMENT. IT WAS MOST EFFECTIVELY STATED BY SENATOR JAVITS IN A SENATE FLOOR SPEECH (WHICH ATTRACTED CRITICISM FROM THE AMERICAN-JEWISH COMMUNITY). THE AMERICAN-JEWISH COMMUNITY IS WORRIED THAT THE CARTER ADMINISTRATION WILL NOW SEEK TO IMPOSE ITS OWN IDEAS ON THE MIDDLE EAST. NONETHELESS, BROAD SUPPORT FOR THE ADMINISTRATIN'S COMMITMENT TO MOVING THE PEACE PROCESS FORWARD REMAINS AS STRONG AS EVER IN SPITE OF THE DISAGREEMENTS IT IS GENERATING WITH THE ISRAELI GOVERNMENT.

3. ANTI-TERRORISM BILL. THE SFRC REPORTED OUT THE RIBICOFF BILL AFTER REFUSING TO ADOPT THE ADMINISTRATION'S RECOMMENDED CHANGES. SENATOR JAVITS OFFERED AN AMENDMENT WHICH MODIFIED THE NATIONAL SECURITY WAIVER PROVISION SLIGHTLY BUT DID NOT CHANGE THE REQUIREMENT FOR AUTOMATIC SANCTIONS. IN ADDITION, THE PROVISION FOR A CONCURRENT RESOLUTION VETO OF A PRESIDENTIAL DECISION TO REMOVE COUNTRIES FROM THE LIST OF THOSE SUPPORTING TERRORISM REMAINED IN THE BILL.

THE BILL WILL NOW BE REFERRED TO THE INTELLIGENCE COM-MITTEE WHICH WILL PROBABLY ONLY FOCUS ON INTELLIGENCE-

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RELATED PROVISIONS. THE AVIATION SUBCOMMITTEE OF THE
HOUSE PUBLIC WORKS AND TRANSPORTATION COMMITTEE WILL

HOLD HEARINGS ON THE LEGISLATION IN MID-JULY AND DANTE
FASCELL HAS INDICATED THAT HIS HIRC SUBCOMMITTEE WILL
HOLD HEARINGS LATER IN THE SUMMER. WE HOPE TO ACHIEVE
THE NECESSARY CHANGES AS THE LEGISLATIVE PROCESS PROCEEDS.

4. FOREIGN ASSISTANCE APPROPRIATION DELAYED. THE LEADER-
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PAGE 04 STATE 163769

SHIP IN CONSULTATION WITH DAVE OBEY DECIDED TO PULL DOWN
THE FOREIGN ASSISTANCE APPROPRIATION BILL UNTIL AFTER THE
4TH OF JULY RECESS. THE DECISION WAS EVIDENTLY BASED
ON AN UNFAVORABLE WHIP COUNT AND THE FACT THAT THE
PRESIDENT DID NOT NEED A FOREIGN POLICY BLOW AT THIS TIME.
THE EXTRA TIME MAY ENABLE US TO IMPROVE PROSPECTS SOMEWHAT,
ALTHOUGH THE DELAY MEANS THAT THE FOREIGN ASSISTANCE APPRO-
PRIATION AND THE TURKISH EMBARGO MAY BE TAKEN UP AT ROUGHLY
THE SAME TIME. MEANWHILE, THE SENATE TOOK UP THE
ECONOMIC ASSISTANCE AUTHORIZATION ON MONDAY. IT S STAINED
A 5 ACROSS-THE-BOARD CUT.

5. TURKISH EMBARGO -- POSTPONING THE HOUSEVOTE. WITH
THE NECESSITY OF POSTPONING A VOTE IN THE HOUSE OF
REPRESENTATIVES UNTIL AFTER THE JULY 4 RECESS, WE NOW
HAVE AN OPPORTUNITY TO BUILD ADDITIONAL SUPPORT IN THE
HOUSE, PARTICULARLY AMONG DEMOCRATIC WAIVERERS, AND SEE
IF WE CAN ARRANGE A PRIOR VOTE IN THE SENATE. EFFORTS
TOWARD BOTH GOALS WILL BE INTENSIFIED NEXT WEEK.

6. FOREIGN RELATIONS AUTHORIZATION BILL. THIS BILL,
WHICH INCLUDES THE STATE DEPARTMENT AUTHORIZATION BILL,
IS SCHEDULED FOR SENATE FLOOR ACTION JUNE 28. THE
CLARK RESOLUTION, CHANGING SENATE RULES TO GIVE A
SINGLE MEMBER THE POWER TO STOP IMPLEMENTING LEGISLATION
FOR INTERNATIONAL AGREEMENTS THE SENATE DETERMINES SHOULD
HAVE BEEN SUBMITTED AS TREATIES, IS CONTAINED IN THIS BILL.
WE EXPECT RULES COMMITTEE MEMBERS TO OBJECT TO CHANGING
SENATE RULES ON AN AUTHORIZATION BILL AND FOR THE RESO-
LUTION TO BE DELETED.

7. HOUSE CUTS PL-480 FOR KOREA. BY A VOTE OF 273 TO 125
THE HOUSE JUNE 22 SUPPORTED AN AMENDMENT PROPOSED BY
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PAGE 05 STATE 163769

MAJORITY LEADER WRIGHT TO DELETE $56 MILLION IN PL-480
FUNDS FOR KOREA.

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IN INTRODUCING HIS AMENDMENT, WRIGHT NOTED HE WAS ACTING RELUCTANTLY, BUT FELT THE HOUSE MUST TAKEN ACTION IN VIEW OF SPECIAL COUNSEL JAWORSKI'S RECENT LETTER REPORTING THE CONTINUED NON-COOPERATION OF THE KOREAN GOVERNMENT IN THE KOREAGATE INVESTIGATIONS. HE INDICATED THAT HE DID NOT WISH THIS ACTION TO BE INTERPRETED AS A SIGNAL OF DETER-IORATING RELATIONS WITH THE REPUBLIC OF KOREA OR THAT THE

UNITED STATES WOULD NOT ACT IF SOUTH KOREAN SECURITY WAS THREATENED. PRESSED ON WHAT ACTIONS HE AND THE SPEAKER INTENDED TO TAKE IF THE DELETION OF PL-480 ASSISTANCE FAILED (AS MANY EXPECTED) TO PRODUCE KOREAN COOPERATION, WRIGHT INDICATED THAT THE LEADERSHIP WAS PREPARED TO CONSIDER FURTHER CUTS OF DIRECT ECONOMIC ASSISTANCE TO KOREA, BUT OPPOSED CUTTING SECURITY ASSISTANCE.

OPPONENTS OF THE MEASURE ARGUED THAT:

-- THE DELETION OF PL-480 FUNDS WOULD HARM PRIMARILY POOR KOREAN FARMERS AND U.S. FARMERS WHO STOOD TO LOSE ALMOST A BILLION DOLLARS IN FARM SALES TO KOREA;

-- CURRENT TEXTILE AGREEMENTS WOULD BE ENDANGERED;

-- THE ACTION COULD ADVERSELY AFFECT THE IMMUNITY OF U.S. DIPLOMATS ABROAD;

-- THE ONLY THREAT NOW LEFT TO THE LEADERSHIP WAS TO CUT THE PEACE CORPS PROGRAM -- WHICH WAS UNLIKELY TO IMPRESS THE KOREANS -- OR CUT SECURITY ASSISTANCE -- WHICH WOULD BE DANGEROUS TO INVOKE.

8. SUPPLEMENTALS ON LEBANON, FMS, UNRWA, PEACE CORPS
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AND EMERGENCY REFUGEES. THE LONG SUBCOMMITTEE OF THE HOUSE APPROPRIATIONS COMMITTEE:

-- APPROVED A $50 MILLION SUPPLEMENTAL FOR FMS TO LEBANON;

-- CUT THE UNRWA REQUEST FROM $9.5 MILLION TO $8.5 MILLION;

-- AGREED TO $7.48 MILLION FOR MIGRATION AND REFUGEE ASSISTANCE (BUT CUT THE EMERGENCY REFUGEE FUND FROM $10 MILLION TO $2.5 MILLION).

THE PAY SUPPLEMENTALS WERE APPROVED AS REQUESTED.

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9. HUMAN RIGHTS INSTITUTE ALIVE AGAIN? DOUG BENNET, H, WILL TESTIFY BEFORE THE SFRC JUNE 29, ON S.2894, PROPOSED BY SENATORS PELL, MATHIAS AND CLARK TO CREATE A HUMAN RIGHTS INSTITUTE. THE BILL LARGELY PARALLELS THE ORIGINAL VERSION PROPOSED BY CONGRESSMEN FASCELL AND FRASER WHICH WAS DELETED FROM THE STATE DEPARTMENT AUTHORIZATION BILL BY THE HOUSE LAST MONTH. THE COMMITTEE STAFF HAS INDICATED THAT THERE IS STILL A POSSIBILITY THAT THE BILL MIGHT BE PROPOSED ON THE FLOOR OF THE SENATE AS A RIDER TO THE

STATE DEPARTMENT AUTHORIZATION BILL.

10. DIPLOMATIC RELATIONS ACT. THE SFRC VOTED OUT THE DIPLOMATIC RELATIONS ACT (H.R. 78L9) WHICH WOULD REPEAL THE L790 STATUTE PROVIDING FULL DIPLOMATIC IMMUNITY TO ALL MEMBERS OF A DIPLOMATIC MISSION INCLUDING DOMESTIC SERVANTS. THE VIENNA CONVENTION ON DIPLOMATIC RELATIONS, WITH ITS MORE RESTRICTIVE IMMUNITY PROVISIONS, WOULD
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THEN BECOME THE PARAMOUNT SOURCE OF LAW IN THIS COUNTRY ON DIPLOMATIC PRIVILEGES AND IMMUNITIES. IN ADDITION, THE BILL WOULD REQUIRE ALL MOTOR VEHICLES OF THE MISSION TO BE COVERED BY LIABILITY INSURANCE MEETING MINIMUM LEVELS TO BE SET BY THE EXECUTIVE.

BECAUSE OF ITS INSURANCE FEATURES, THE BILL NOW GOES TO THE JUDICIARY COMMITTEE. EARLY ACTION IS EXPECTED WITH THE OBJECTIVE OF MOVING A BILL TO THE FLOOR WITHIN THE JULY-AUGUST PERIOD.

AT SENATOR JAVITS' URGING, THE COMMITTEE'S REPORT WILL REFLECT BOTH ITS INTEREST IN PROMOTING FULL COMPLIANCE WITH THE NEW LIABILITY INSURANCE REQUIREMENTS AND ITS CONCERN OVER PARKING ABUSES BY PERSONNEL IN NEW YORK AND WASHINGTON WHO WILL CONTINUE TO ENJOY IMMUNITY.

11. US-UK TAX TREATY DEFEATED, BUT WILL BE RECONSIDERED. THE SENATE FAILED TO MUSTER THE TWO-THIRDS NECESSARY TO RATIFY THE U.S.-U.K. TAX TREATY. WITH 81 SENATORS PRESENT, 54 VOTES WERE REQUIRED BUT ONLY 49 OBTAINED AGAINST 32 NAYS. AN EARLIER VOTE ON THE CHURCH RESERVATION ON SECTION 9(4) WAS DEFEATED 34-44. THIS SECTION REQUIRES STATES IN THE U.S. TO USE AN "ARMS LENGTH" METHOD OF COMPUTING INCOME OF U.K. CORPORATIONS RATHER THAN A "UNITARY TAXATION SYSTEM" FAVORED BY SOME STATES.

AFTER DEFEAT OF THE TREATY, SUPPORTERS AND OPPONENTS AGREED THROUGH A UNANIMOUS CONSENT MOTION TO CALL FOR ANOTHER VOTE JUNE 27 -- BUT THIS TIME INCLUDING THE CHURCH RESERVATION -- WHICH THE ADMINISTRATION HAS ACCEPTED.

Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014

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RATIFICATION OF THE TREATY WITH RESERVATION ON
SECTION 9(4) SEEMS ASSURED.

12. HOUSE COMMITTEE APPROVES BILL AGAINST UNFAIR MARI-
TIME COMPETITION FROM STATE-TRADING COUNTRIES. THE
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HOUSE MERCHANT MARINE COMMITTEE JUNE 22 UNANIMOUSLY
APPROVED LEGISLATION TO CONTROL UNFAIR COMPETITION IN
INTERNATIONAL SHIPPING BY STATE-OWNED MERCHANT MARINES.
THE BILL IS AIMED PARTICULARLY AT THE SOVIET UNION WHICH
ALLEGEDLY HAS BEEN UNDERCUTTING U.S. SHIPPING RATES IN

RECENT YEARS BY AS MUCH AS 40 PERCENT. THIS SO-CALLED
"CONTROLLED CARRIER" BILL WOULD PERMIT THE FEDERAL MARITIME
COMMISSION (FMC) TO REGULATE THE RATES OF THESE CARRIERS
BASED ON "JUSTNESS AND REASONABLENESS". HOWEVER, AN
IMPORTANT MURPHY/MCCLOSKY AMENDMENT WAS ALSO ACCEPTED,
PROVIDING THE PRESIDENT WITH AUTHORITY TO BLOCK A FMC
ORDER SUSPENDING CONTROLLED CARRIER RATES FOR FOREIGN
POLICY OR NATIONAL SECURITY REASONS. THE BILL IS
EXPECTED TO GO TO THE HOUSE FLOOR IN JULY.

13. OPPOSING VIEWS EXPRESSED ON EXCLUDING EXIM BANK FROM
NEPA. BUSINESS AND ENVIRONMENTAL WITNESSES AT A HEARING
ON JUNE 20 BEFORE THE SENATE COMMITTEE ON ENVIRONMENT
AND PUBLIC WORKS TOOK OPPOSING VIEWS ON A STEVENSON
AMENDMENT TO THE EXIM BANK BILL WHICH WOULD EXEMPT THE
BANK FROM HAVING TO COMPLY WITH THE REQUIREMENTS OF
THE NATIONAL ENVINRONMENTAL POLICY ACT (NEPA) IN
ACTIVITIES WHICH HAVE AN ENVIRONMENTAL IMPACT ABROAD.
ADMINISTRATION WITNESSES POSTPONED THEIR APPEARANCE
UNTIL MID-JULY BECAUSE THE ADMINISTRATION HAS NOT
FINALIZED ITS POSITION ON THE ISSUES INVOLVED.

AS EXPECTED, THE CHAMBER OF COMMERCE, NAM AND OTHER
BUSINESS REPRESENTATIVES FAVORED EXCLUDING EXIM FROM NEPA
REQUIREMENTS ABROAD WHILE THE ENVIRONMENTALISTS, LED BY
FORMER CEQ CHAIRMAN RUSSELL TRAIN, OPPOSED THE AMENDMENT
AS UNNECESSARY AND UNWISE.
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14. SENATE FINANCE COMMITTEE APPROVES HUNGARIAN TRADE
AGREEMENT. THE SENATE FINANCE COMMITTEE AGREED TO
REPORT OUT FAVORABLY THE APPROVAL RESOLUTION FOR THE U.S.-
HUNGARIAN TRADE AGREEMENT. THE APPROVAL RESOLUTION WILL
BE REFERRED TO THE FLOOR OF THE SENATE, WHICH WILL THEN
HAVE 15 WORKING DAYS IN WHICH TO ACT. ACCORDING TO

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COMMITTEE STAFF, SENATE ACTION IS NOT EXPECTED UNTIL
AFTER THE SENATE RETURNS FROM THE JULY 1-9 RECESS.

15. NOMINATIONS. THE SENATE JUNE 23 CONFIRMED THE
NOMINATIONS OF CHAPIN (ETHIOPIA), GLEYSTEEN (KOREA),
DUBS (AFGHANISTAN), ABRAMOWITZ (THAILAND) AND MANSHEL
(DENMARK).

THE NEXT CONFIRMATION HEARING BY THE SFRC WILL BE JULY 11.
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